



U.S. Immigration  
and Customs  
Enforcement

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# News Release

## **ILLINOIS MAN CHARGED WITH OPERATING ILLEGAL MONEY TRANSMITTING BUSINESS AND SENDING MILLIONS TO IRAN**

CHICAGO — A federal Grand Jury indicted a Lincolwood, Ill., resident last week on 193 counts of operating an unlicensed money-transmitting business and illegally transferring almost \$4 million to Iran, following a joint U.S. Immigration and Customs Enforcement (ICE) and FBI investigation.

Hossein Esfahani, 44, was indicted June 30 in the Northern District of Illinois for operating a “Hawala,” and for violating Presidential orders issued under the International Emergency Economic Powers Act.

A Hawala is an alternative remittance system, which transfers money (usually across borders) without the immediate physical or electronic transfer of funds. Money changers (“hawaladars”) physically receive cash or funds in one country. Correspondent hawaladars in another country dispense an identical amount (minus any fees or commissions) to a recipient or a designated recipient bank account.

Count one of the indictment charges Esfahani with operating an unlicensed money service business out of his Lincolnwood, Ill., home. Counts two through 99 charge that between Oct. 31, 2001 and Feb. 14, 2005, Esfahani caused funds to be exported from the U.S. to Iran. Counts 100 through 191 charge that Esfahani transmitted \$3,918,000 to Iran over the same time period without the required license.

The indictment also contains a forfeiture allegations pursuing forfeiture of one Harris Bank account, one property located at 3959 W. Arthur, Lincolnwood, Ill., one property located at 205 Batavia Lane, Schaumburg, Ill., one property located at 870-890 Roselle Road, Hoffman Estates, Ill., and one property located at 5 Spencer Road, New Lenox, Ill. A second forfeiture count seeks forfeiture of all money or property that was subject of the transactions to Iran including but not limited to \$3,918,000. The U.S. may also seek substitute assets.

“Unlicensed money transmittal businesses and underground financing systems pose a real threat,” said Elissa A. Brown, special agent-in-charge of investigations in Chicago. “Any criminal or terrorist can come to these underground businesses and have millions wired anywhere in the world with no questions asked. ICE’s goal is to identify, disrupt and ultimately dismantle these underground financing and transmittal operations.”

Esfahani was originally arrested March 22 following the court complaint. He was released with a monitored security ankle bracelet after posting a \$600,000 bond in early June

According to the indictment, Esfahani operated Hossein M. Esfahani Exchange, aka Esfahani Exchange, aka King Exchange from his Lincolwood, Ill., home. Esfahani transmitted almost \$4 million to at least three money exchange businesses in Dubai, U.A.E., and additional amounts to Shiraz, Iran.

This is an ongoing investigation.

The public is reminded that an indictment is not evidence of guilt and that all defendants in a criminal case are presumed innocent until proven guilty in a court of law.

# ICE #

*U.S. Immigration and Customs Enforcement was established in March 2003 as the largest investigative arm of the Department of Homeland Security. ICE is comprised of five integrated divisions that form a 21st century law enforcement agency with broad responsibilities for a number of key homeland security priorities.*